

REPORT OF  
THE RODDICKTON/MAIN BROOK TASK FORCE  
ON  
ECONOMIC POTENTIAL AND DEVELOPMENT



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ECONOMIC POTENTIAL AND DEVELOPMENT



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## ACKNOWLEDGEMENTS

The Task Force expresses its thanks to those individuals and groups indicated below, both for their submissions and presentations.

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The Roddickton Loggers Committee

the Roddickton Town Council

The Roddickton Forest Management Unit  
Department of Forest Resources and Lands

The Main Brook Town Council

The Main Brook Lions Club

The Main Brook Recreation Committee

The Canada Bay Lumber Company

The Department of Social Services



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## PURPOSE AND SCOPE

As a result of concern for their economic growth and future, the people of the Roddickton-Main Brook area, made representations to Government regarding rising unemployment and declining populations. In response to these public requests the then Minister of Forest Resources and Lands, Honourable James Morgan, appointed a Task Force of senior public officials.

In the Ministerial statement of November 22, 1979 that created the Task Force Mr. Morgan announced, that its purposes were to investigate the issues brought forward by the people and to identify areas of potential development and employment, giving full recognition to the socio-economic conditions at play in the area.

At the initial meeting on November 27, 1979 the strategy and scheduling of the Task Force was developed. The approach agreed upon was to undertake a series of visits to the appropriate communities in the study area, to accept briefs from various interest groups and individuals and to study the physical infrastructure and resource base. It was further agreed that a completed report would be presented to the Minister of Forest Resources and Lands on or before February 14, 1980.

The Task Force further acknowledged that time constraints would be such that some of the basic conclusions would well be subject to more detailed analysis research by others at a later date. Detailed cost-benefit analysis of specific apparent



development opportunities was seen to be outside the mandate of the Task Force. Further it was acknowledged that some of the recommendations could be subject to changing market conditions and availability of local expertise.

The Task Force further accepted the principle, that while the major issues to be addressed would be in relation to the communities of Roddickton and Main Brook, that the area as a whole would be viewed, in that economic activity in any centre would have positive effects on all. It is in this context that such communities as Bide Arm, Englee, Conche, etc., would be viewed.

The Task Force recognized that while all background papers and briefs would be presented to the Minister as part of its final product these documents would be under separate cover to be viewed as confidential for use at his discretion.

### HISTORICAL BACKGROUND

The communities of Roddickton and Main Brook are relatively new when viewed in relation to the total history of the province. Both find their roots in the exploitation of the forest resource since the turn of the century. The level of activity has varied over the years and the communities have more than once been subject to rising expectations, followed by exploitation and eventual disappointment. Like most single industry towns their total dependence upon external forces such as markets and transportation has contributed to these fluctuations.

#### RODDICKTON

It was not until 1904 that Roddickton was officially born. The area previously known as Eastern Brook apparently underwent a natural change through a project started by Sir Wilfred Grenfell. It was in that year Grenfell, employing some men from Englee undertook the building of a sailing vessel at that location. As the vessel was largely financed through funds received from a wealthy American named Roddick it seems only quite natural that Grenfell would name the boat the Roddickton. It was from that point on that the area became known to the local residents as Roddickton. At that time the only buildings located there were a small sawmill, some bunk houses, and a cook house used in the building of the boat.

The first known settlers to arrive in the area came in 1906. It was at that time that Grenfell returned to the area to reopen the sawmill. This venture drew the first settlers from Englee

and Wild Cove. In addition to the mill some twelve acres of land were cleared and used to produce fresh vegetables for use in the I.G.A. hospital in St. Anthony. At this time the recorded population was sixteen persons. This settlement failed. We see in the Newfoundland census for 1921 that all that remained at that time were two families making up a total population of eight people. It was in the following year, 1922, that Sir Wilfred decided that the economic feasibility of both the mill and farm had died. He closed them both down and the remaining families moved out leaving the area deserted.

The area remained abandoned until 1928 when John Reeves, an Englee fish merchant, began a logging and lumbering business. This once again attracted settlers who came from surrounding areas to work for meager wages. Reeves also opened the first store in the community which was operated on the barter system. Housing was poor and conditions bad. Often the women were forced to go into the woods to log in order to support their families. It was not until 1935 that medical services were available. Prior to this the nearest were at St. Anthony, some four days journey by dog team in good weather.

1935 was the turning point for the community of Roddickton as it is known today. The population at that time was some fifty-six persons. With the building of a large mill and increased wages Saunders and Howell began to attract people from all over the Northern Peninsula to Roddickton. They built and

staffed a clinic, introduced horses and tractors into the woods operations. The town began to prosper and grow. A school and churches were built. It is interesting to note that the oldest tombstone erected in a Roddickton cemetery is dated 1939 (a man killed in the woods operation). These years represented the first real years of permanent settlement and the foundation of the present day community.

By 1945 the first of the post war years, the population had risen to 548. In addition to the logging industry, some farming was done on the old Grenfell farm site. It was successful and produced much of the produce for the community's annual consumption. The salmon and herring fisheries were pursued during the spring and summer months which further augmented the economy.

As Newfoundland entered confederation in 1949 Saunders and Howell ceased operations in the area. This however, was not a great consequence to the community at the time. Bowaters had now begun a fairly large logging operation at Main Brook which adequately filled the void left by the closedown of the mill in Roddickton.

The first public roadway constructed in the community was in 1949 with the first truck being introduced in 1950. Commercial electricity on a utility basis did not arrive until 1963. Telephones were introduced a year later in 1964.

The present day Canada Bay sawmill operation can be traced

back to 1958 with the building a a planer mill by Chester Dawe. When this operation began it appears that there were an insufficient work force in Roddickton to fill the jobs this mill created. As a result more people were brought in from other communities on the Northern Peninsula. This once again added to the further growth of the area. Ten years later in 1968 the Canada Bay Lumber Company in the face of softening markets and excessive accounts receivable, were forced to temporarily discontinue their operation. Subsidization by the parent company had grown enormous. It was not until 1970 that conditions started to improve. The industry was on the upswing again with the opening of a new pulpwood market at the Linerboard mill in Stephenville. In 1972 Canada Bay once again ventured into the area and began the construction of a new modern mill which was opened in 1974. The first year's operation did indeed show promising success. However, by 1976 the market once again began to deteriorate and with the close down of the mill at Stephenville the future once again became bleak. Export markets for pulpwood dried up and labour unrest became prevalent.

As a result of labour disputes and other factors, the economic benefits of the forest industry in the area have declined. While expanded employment has been offered by increased activity of the Department of Forest Resources and Lands, the labour force in the lumber production and logging sector has declined. Many experienced loggers have left the community and

the economy is suffering. There are 1,200 people still residing in Roddickton, most of which are seriously concerned about their future and the future of their community.

#### MAIN BROOK

The early years of Main Brook were not at all unlike those of Roddickton with the exception that the initial settlers came to fish and trap. There are few historical facts written about this community during this period. However, we do know that after settling it did not take the people too long to discover the value in the enormous amount of timber which surrounded them. Soon a logging industry was begun which fed several sawmills in the area. The early fishermen evolved into loggers.

It was not until 1944 that pulpwood had begun to be cut. This was the result of a firm of Pomroy and Penney obtaining a contract from Bowaters Limited for 1,500 cords of wood. Following this it is interesting to note that Bowaters, who had been operating near Roddickton, immediately saw the potential for the pulpwood industry at Main Brook and decided to set up operations there. They built a new facility consisting of five duplex apartment buildings, offices, machine and carpenter shops, two warehouses, a retail store and a garage. They also installed a complete water system for their facility. Main Brook was now well on the way to becoming a company town which would supply the Bowaters mill at Corner Brook.

By 1948 the economy had grown greatly and the community

was flourishing. In fact, so much so that the government of the day appointed a town council for the area. This was indeed a distinction when one considers that there were only a total of eleven such councils appointed by the Crown prior to Confederation in 1949.

The community still continued to flourish and prosper. Most of the citizens were now loggers and the fishery was a forgotten industry. Indeed, by now all fishing skills were lost. The town was committed to a single, but highly profitable industry.

In 1961 the people once again saw their economy being boosted even further. More wood was cut and in addition, it was debarked before shipping. Additional jobs were created and the brightest spot in the history of the town began. Little did they realize however, that this prosperity would peak out in the late 60's.

On September 1, 1968 as a result of softening markets and advanced technology, Bowaters were forced to cease operations in Main Brook. The town was no longer an economically viable proposition.

Since that time there have been many attempts made to revitalize the forest resource industry in the area. The majority of these have failed. With only a very few exceptions, the forest industry for all intents and purposes, has ceased to exist. The economy has plummeted and unemployment has

reached staggering proportions.

In a recent survey it was determined that the town's population is now at approximately 500 persons. Out of this number there are 150 people considered as belonging to the eligible work force. Only 26% of these are employed, leaving a total of 74% unemployed. In the past twelve months some thirty-six residents have left the area. Many of these are married with families. Those who remain are greatly concerned for their future and indeed the future of Main Brook.

### EXECUTIVE SUMMARY

Having reviewed all the current data, the Task Force has generally agreed that the situation as it presently stands is indeed a poor one. The present high unemployment and decreasing populations are fact and if they are not curbed they will have a detrimental effect on the future of the communities. However, it is our opinion that this can be avoided. With proper planning and development the area has the potential for a promising future. It will take determination and hard work, but never the less, it is there. The main thrust must be to optimize use of the forestry base and to develop diversification in other areas to provide stabilization and future growth.

The Task Force, since its inception, has heard briefs, studied proposals and investigated avenues for future expansion. We have met and talked with the citizens, business people, and government officials. The conclusions we have arrived at are factual. Therefore the resultant recommendations, if carried out, will return and in some cases advance the previously enjoyed economic conditions which have been present in the past.

While only the major recommendations are listed in this section of the report, the reader should note that there are also many other worthwhile recommendations present within the various sections and which should be noted and if acted upon, can contribute to the overall economy of the area.

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The major recommendations of the Task Force are as follows:

FORESTRY

- 1) That the Department of Forest Resources and Lands seek formal designation of the Roddickton/Main Brook area under the Forest Economic Stimulation Program, to stimulate employment in the area of forest management, such as the rehabilitation of insect affected timber lands, planting and thinnings.
- 2) That the Department of Forest Resources and Lands apply a high priority within the resource road budgeting program so that the access road requirements of the study area are provided. Further that the major long range access road program proposal now under development be finalized as soon as practical.
- 3) In light of the recent transfer of woodland control to the Crown from Bowaters, the Department of Forest Resources and Lands should now hold detailed discussions with existing sawmill operators and proposed new operators to verify the desired levels of production. A strategy to provide sufficient specific forest operating areas should then be developed in line with the overall forest management plan of the area.
- 4) That the Department of Forest Resources and Lands consider the provision of export pulpwood permits of at least three years duration so that the parties to such operations might more realistically and economically plan and operate such facilities as export wood yards, debarking units, etc.
- 5) That the Department of Forest Resources and Lands complete

discussions with the Canada Bay Lumber Company with respect to formalizing a five-year operating plan and that any plan so developed be strictly followed.

6) That the Department of Industrial Development with representation from the Department of Forest Resources and Lands proceed with negotiations with the Canada Bay Lumber Company in respect to revision of the 1974 Act and that these negotiations fully explore all aspects of the Act, with particular attention to the roles of both parties in relation to access road construction, road maintenance, stumpage, formalization of the operating plan, full integration in the logging sector and tenure considerations. Further, that these negotiations explore the possibility of the return to Crown of the Conche Road block from their presently allocated limits.

7) That representation be made to the Canada Bay Lumber Company to reflect the opinion of the Task Force that more diversification in logging methods and technology, including the stud mill option, should be considered if the resource is to be fully utilized. The Company is also urged to review its ability and expertise in relation to the woods planning sector, the Company's image and labour relations.

8) That the loggers of the area consider organizing themselves in a manner that will allow them to address issues directly with their employer, rather than through the more public manner that has been availed of in recent years.

### FISHERIES

- 1) That full consideration be given to the early provision of three-phase power to the fish plant at Conche. It is further felt that Newfoundland Hydro, in conjunction with the Department of Fisheries, further investigate the possibility of providing three-phase power to those communities who require it, eg. the fishing facilities at Main Brook.
- 2) That the local development association make formal representation to the Provincial Fisheries Department, through their local official, to have a formal evaluation of the potential for a crab fishery and that the evaluation consider the implication of a Main Brook to St. Anthony Highway link on the economic viability of a crab fishery.
- 3) That consideration be given to improved unloading facilities at Englee to enable at least one trawler of the Northern fisheries to call there.
- 4) That both Federal and Provincial fisheries reassess the need for the mechanism to establish bait facilities at Main Brook with emphasis on the encouragement of having same developed by a private operator.

### TRANSPORTATION & COMMUNICATION

- 1) That the road link between Main Brook and St. Anthony be constructed at the earliest possible date. This will afford expanded markets, provide more adequate medical care, economic opportunity, allow access to vocational training facilities and facilitate the development of a tourist industry for the whole area. The completion

of this roadway will play a very important role in the success of several of the recommendations in this report.

2) That the proposed relocation of the St. Anthony airport be made bearing in mind the completion of the above link road and the proposed offshore supply base to be located at Main Brook. In the interim period it is further recommended that consideration be given to the proposed construction of a sea plane base in the Main Brook area.

3) That the paving of the cross-country road and the branch road to Main Brook, Roddickton and Englee be given priority by the Department of Transportation and Communication. This will provide better access to the area and should increase Tourism as well as reduce transportation costs.

#### TOURISM

1) It is recommended that the communities in the area take a more active role in the promotion of the tourist industry in that area. An inventory of attractions should be compiled and assistance in their development sought.

2) The construction of seasonal accommodation for tourists in the form of cabins and campgrounds should be investigated. These should be constructed by private funding or funding through organizations such as LEAP or such other organizations set up to assist in this type of project. Consideration to length of season and cost per unit of construction will be of significant importance in carrying out this recommendation.

3) We recommend that the Department of Tourism reevaluate the possibility of the construction of a provincial park in the area. This would play a vital part in the development of the tourist industry.

#### SMALL BUSINESS

1) That the residents of the area seek the assistance available to identify and promote small business opportunities in the area. The major sources of assistance in this would be the Department of Rural Development and the White Bay Central Development Association.

2) That the particular financial position of specific woods operators who have liabilities to the Department of Rural Development, subject to their approval, be reviewed by that department, and an appointed official of the Department of Forest Resources and Lands.

3) That the Department of Forest Resources and Lands, in cooperation with the Department of Rural Development, arrange for appropriate resource personnel to investigate the need for business administration training for small woods operators and other potential entrepreneurs and that consideration be given to having participation in same a prerequisite to obtaining financial assistance from Government.

4) In view of the lack of a formal policy by the Fisheries Loan Board on new boat construction, it is recommended that no new boat yards be established. Should increased demand

warrant additional boat building capacity in the area, it is recommended that the Sea Forest Products Yard at Bide Arm be enlarged at that time. Also that the possibility of Sea Forest Products supplying planking to other yards in the province, should be examined in detail to determine the viability of such an operation.

#### GENERAL

- 1) Development of a short term market for export wood (up to five years). This will facilitate the economical operation of the sawmill industry and stabilize it until decisions as to the long term use of the forest resource have evolved.
- 2) That the Provincial Government's efforts toward the establishment of a major wood using industry for the Northern Peninsula be pursued with the utmost vigor.
- 3) That Roddickton be designated as a service centre for the area and that all future government services be established there.
- 4) That should power requirements of the province be such that further hydro development becomes necessary, it is recommended that a close look be taken at Cloud River, in light of the fact that besides providing energy, it would also provide access to presently inaccessible timber lands in the forest management unit. This in turn would provide additional employment for the area and bolster the economy.

As we have stated before, there are many other recommendations listed throughout our report, however only those which we consider of major significance have been listed above. It is felt by the Task Force that these should be acted upon immediately.

TASK FORCE ON  
EMPLOYMENT OPPORTUNITIES  
IN THE RODDICKTON/MAIN BROOK AREA

Forestry Sector



## FORESTRY SECTOR REPORT

### INTRODUCTION

Fundamental to the resolution of the employment problems of the study area is acceptance of the principle that the forestry sector will be as it has been in the past, the most significant source of economic activity. It can, in fact, be argued positively that the communities of Roddickton and Main Brook owe their very foundation to woods based operations. In addition, it can be shown that there exists from the points of view of raw material availability and desired forest management principles, a tremendous opportunity not only for the stabilization of a forest based economy, but indeed for a significant expansion of same.

Additionally, it is generally accepted that in the woods production ability context, loggers of the area are generally renowned as being above average. While these factors of themselves afford a general air of optimism, there exists, nonetheless, a number of basic constraints and unresolved issues, some obvious, some more or less not generally appreciated, which collectively have deterred to date the attainment of orderly, stable and optimum development.

Perhaps the most visible and obvious of these factors is that there exists some deeply engraved negative social attitudes in relation to the role and performance of both the only major established existing forest operation (the Canada Bay Lumber Company) and the Department of Forest Resources and Lands. The



degree to which these attitudes are warranted may be debated in whole, or in part, however, their presence must be acknowledged in any realistic evaluation of the issues at hand. The exact nature of these were addressed in recent weeks within the numerous background papers and briefs presented to and evaluated by the Task Force. Some of the specific issues will be referred to directly or indirectly later in this sector analysis. In the case of factors not so generally appreciated, one must acknowledge that in addition to raw material availability, forest management considerations, and the presence of a capable work force and not withstanding the negative social attitudes, full consideration must be given to labour relations, management capability, technical capacity, and marketing of products where the latter includes sales price, cost of production, continuity of supply, and transportation with all these weighted in light of alternatives available to the investor.

Only through the analysis of all these factors can meaningful conclusions be drawn on the attainment of a forest resource based stable economy. The purpose of this sector report is to address these issues and to identify, specifically the employment potential, constraints to same and to recommend a general strategy to attain maximum utilization of the forest resources of the area.

#### RESOURCE ANALYSIS

The study area represents approximately one third of the

total land area contained in Forest Management Unit 18. On the other hand, this area contains in excess of three quarters of the productive forest acreage of the Unit. The forestry sector of the area is administered from the Roddickton office of the Department of Forest Resources and Lands, where three forest technicians and a forest ranger are employed under the supervision of a professional forester. In recent months, this staff has developed a detailed forest management plan for the Unit and it is from this document, plus a brief to the Task Force by Unit Forester, W. Brown, that much of what is presented on resource availability and strategy is taken.

The study area offers an opportunity to harvest 48,000 cords on an allowable annual cut basis (A.A.C.). Further, the excessively high proportion of overmature stands in the area offer an opportunity to permit some overcutting in the short run. Be that as it may, the resource is presently being grossly under utilized with only 10% of the A.A.C. being cut in the last year. Table one presents the percentage of the A.A.C. that has been utilized in recent years.

Further analysis of the forest inventory data for the study indicates that there is an excessively high proportion of balsam fir which represents 90% of the species composition. Spruces, mostly black, represents the remaining 10%. There is no appreciable hardwood component in the forest. The high fir content makes the forest particularly susceptible to insect

TABLE ONE  
PERCENT OF THE DESIRED ANNUAL ALLOWABLE CUT  
OF 48,000 UTILIZED

| <u>Year</u> | <u>Total Cut</u> | <u>% of A.A.C.</u> |
|-------------|------------------|--------------------|
| 1974        | 20,160           | 42%                |
| 1975        | 21,600           | 45%                |
| 1976        | 21,600           | 45%                |
| 1977        | 13,910           | 29%                |
| 1978        | 6,240            | 13%                |
| 1979        | 4,800            | 10%                |

The forests of the area present a challenge to forest management in that the balance of age classes are significantly out of line with the desired composition. Table two presents the age class statistics.

TABLE TWO  
AGE CLASS BY % OF AREA

| <u>Age Class</u> | <u>Name</u>  | <u>Actual %</u> | <u>Desired %</u> |
|------------------|--------------|-----------------|------------------|
| 0-20 years       | Regeneration | 3%              | 20%              |
| 20-40 years      | Young Growth | 22%             | 20%              |
| 40-60 years      | Semi-mature  | Nil             | 20%              |
| 60-80 years      | Mature       | Nil             | 20%              |
| 80 years +       | Over-mature  | 75%             | Nil              |

damage, and more particularly to the budworm. The overmature condition of the forest makes this all the more serious.

In relation to timber ownership, the area has a generally complicated history having combinations of Crown, Bowater licences, Reid lots, Grenfell block and of late, Canada Bay Lumber holdings. A recent agreement (Crown Bowater December 1979), however, has brought full administrative authority for all forests within the area under the Department of Forest Resources and Lands, with the only formal commitment against same being two blocks vested to the Canada Bay Lumber Company under the 1974 Act.

The area does not have an extensive history of disturbance by forest fire with the exception of severe fires in 1968, 1971 and 1975. The acreages involved are not significant when viewed over an extended period of time, however, it is noted that these areas are failing to regenerate adequately.

Utilization of the areas through harvesting may be summarized as: 1937-1962, lumber production under Saunders and Howell, with some small export wood operations periodically; 1952-1967, large scale export pulpwood operations by Bowaters; 1962-1972, some sawmill production by Chester Dawe and several independent attempts at export wood; and 1974 to present, sawmill production by Canada Bay Lumber Company, pulpwood shipping to Labrador Linerboard for several years, plus export wood operations in recent years following shut-down of the Stephenville mill.

In recent years, there has been a decline in the employment levels in the harvesting sector. On the other hand, the Department of Forest Resources and Lands has been increasing its activities in the forest improvement sector as well as increasing its complement of permanent technical staff. The following table gives employment for selected years, however, it is stressed that the duration of employment is not reflected here. In recent years, employment has been for very short periods, very unstable due to labour interruptions and other factors. Further, the figures for the earlier years are best available estimates. Sawmilling employment figures include both woods and mill labour force. It is further noted that while levels of employment were generally high during the Bowater export wood era, no figure is offered at this time.

TABLE THREE  
MANPOWER TRENDS

| <u>Year</u> | <u>Sawmilling</u> | <u>Dept. Overhead</u> | <u>Dept. F.I.</u> | <u>Total</u> |
|-------------|-------------------|-----------------------|-------------------|--------------|
| 1943        | 110               | ---                   | ---               | 110          |
| 1948        | 90                | ---                   | ---               | 90           |
| 1964        | 70                | 2                     | ---               | 72           |
| 1975        | 85                | 4                     | ---               | 89           |
| 1976        | 70                | 7                     | ---               | 77           |
| 1978        | 50                | 7                     | 48                | 105          |
| 1979        | 56                | 8                     | 62                | 126          |

At first glance, this table would indicate that forestry

employment is on the upswing. To view this in perspective, however, a number of factors have to be considered. (a) The increase in jobs by the introduction of the forest improvement work has attracted younger men. The experienced logger used to piece work is not attracted by these low fixed income jobs; (b) the level of employment in the product manufacturing and raw material provision sectors has declined and; (c) the periods of employment have shortened in recent years.

From the point of view of insects and diseases, the area has not, until recently, experienced any major problems. A dramatic increase in spruce budworm and hemlock looper has been noted however in the past year. Serious problems are envisaged particularly in the Main Brook area.

Analysis of resource data indicated that the production in the study area is well below potential, the forest is overmature and with the high proportions of balsam fir and increasing insect population, the resource is in need for immediate harvest. A summary of the study areas resource problems and Unit objectives under forest management and silviculture are presented on the following page. While some of these objectives are long-term, the immediate implications are that expanded forest operations in harvesting and silviculture are not only available, but necessary, both from the points of view of forest management and employment opportunities.

The Roddickton/Main Brook area without a doubt is the best

### FOREST RESOURCE PROBLEMS SUMMARY

1. Uneven age class distribution.
2. General wood shortage by 2019.
3. Serious wood shortage by 2039.
4. Decreasing availability of sawlog stands.
5. Commercial sawlog shortage by 2000.
6. Inadequate proportion of black spruce.
7. Overmature decadent stands excessive.
8. Increasing vulnerability to insects with expanding population of same.

### FOREST MANAGEMENT OBJECTIVES

1. Stabilize wood supply in long term by normalization of age class structure.
2. Expedite harvest of overmature.
3. Maximize and stabilize existing sawlog supply.
4. Stabilize labour force.
5. Promote multiple use.
6. Protect younger age classes against insects and fire.

### SILVICULTURE OBJECTIVES

1. Undertake stand improvement, site reclamation and site rehabilitation.
2. Increase proportion of black spruce.
3. Reforest by planting non-regenerating burns.
4. Clean up high graded areas.
5. Promote harvest of overmature stands.

large block of unlicensed Crown forest land on the Island. The average tree size, log yield/acre, ratio of productive to nonproductive forest land and terrain conditions of most of the Roddickton/Main Brook forest are in all respects equal to, or significantly better than, any other medium or large size block of timber under the administration of the Crown. Roughly 40% of the stands in the general area are sawlog stands. The balance, of course, are pulpwood stands. This ratio compares very favourable with other areas of the province. Pure sawlog stands are however, becoming harder and harder to find.

In forestry terms, harvesting operations are generally described as being one of the following: (1) Pure pulpwood operations, where all trees, regardless of size, are taken by clear cutting. (2) Integrated pulpwood operations where clear cutting occurs, but sawlog material is extracted for lumber production. (3) Integrated sawlog operations where the primary product is sawlogs and the pulpwood generated by the clear cutting of sawlog stands is extracted for sale, but pure pulpwood stands or patches are left. The Roddickton/Main Brook area offers conditions ideal for all of these, however, number three, which in fact has been the general practise is not desirable from the point of view of forest management and complete forest utilization. Markets for pulpwood then becomes a significant factor in the proper utilization of the resource of the area.

For most of the area, there are relatively few nonforested

gaps between harvestable stands, (i.e. the resource is quite continuous). There are however sizable and numerous pulpwood stands intermixed with the sawlog stands, making the best operating opportunity one of an integrated pulpwood system. Sawmill operators must, therefore, accept the principle that they will have to log pure pulp stands along with sawlog areas. The quantities of pulpwood to be generated from their operations will therefore become significantly higher than these operators have been accustomed to.

Most of the terrain is flat to gently rolling. While the Conche Road area is quite hilly, only some sections of the Horsechops can be described as presenting slopes too steep for conventional logging. Generally, soil conditions are most favourable for logging. Some specific areas present wet conditions in warmer seasons, however, these may generally be logged in winter. Road building conditions are better in comparison with most of Western Newfoundland, however, the forested areas do have numerous brooks and medium size rivers that will result in above average bridge costs. Most of the bridge system, however, is already in place. On the timber lands set aside for the Canada Bay Lumber Company on the Horsechops and Conche Roads, the basic network of new roads already exist, but while this network is fairly extensive, these areas will still require the construction of operations roads and some limited quantities of main roads over the next four to five years. In the meantime, some road building will be needed outside the Canada Bay holdings in the Roddickton area to support

independent sawmillers. In the Main Brook area, as a result of former Bowaters operations, a large network of roads exists. Much of the forest available from these roads are available for harvest particularly the Camp 18 road. These roads will require some expenditures to improve and upgrade before they are fully usable, however, this presence is considered a significant asset nonetheless.

The Canada Bay Lumber Company mill in Roddickton is the largest active forest based installation in the area. This truly high quality production unit was built in 1973-74. The yard, buildings, and main sawmill and resaw-planer mill machinery are of exceptionally high standard. Since there are no accessible markets for chips, the mill is not equipped with a debarker and chipper. All slabs, edges and sawdust is burned in a teepee burner. The mill's average production has been 28,000 fbm. per eight hour shift. Their highest production to date has been 33,000 fbm in one shift. It is fair to say that of the many problems that have plagued this mill since establishment, none are attributable to its ability to manufacture quality finished lumber efficiently and economically given the raw material to do so.

There are also a number of small independently owned sawmills in the Roddickton area. Most of these mills are portable or semi-portable push bench or simple powered carriages. Many of these contributed significantly in past to the Canada Bay Lumber Company's total production by supplying large quantities

of planer stock and rough lumber. The four or five remaining independently owned sawmills of the Roddickton area have the capacity of producing in excess of 500,000 fbm each. Only one such mill is active. The recently acquired cutting rights as obtained by the Crown from Bowaters afford the opportunity to re-establish these mills following provision of some access roads. Also a few of these sawmillers currently own a skidder or other machine suitable for hauling wood to their mills. Although less critical it is noted that few of the sawmillers own any sort of truck to deliver their lumber and associated pulpwood to potential buyers.

While there is no permanent sawmill in the Main Brook area, there are two semi-portable push bench type mills owned by residents. Only one has been active in recent years. The other is in need of financial assistance to re-establish. In addition to these, a third party is presently preparing to move a large portable carriage mill into the area next spring. The combined production of these mills could be three million fbm annually with higher production more dependent on forest management considerations and markets, than on technical capacity to produce.

In summary an assessment of mill production capability shows that hardware exists to manufacture approximately the nine million fbm annually, which forest officials feel is the level of production desirable in keeping with the forest management plan. Improved utilization of the resource, however, is possible with the

introduction of a stud mill to the Canada Bay Lumber Company operation. Such a piece of machinery is used to process smaller logs (below six inches) more quickly and efficiently than can be done through the main machinery of the mill. A second production line consisting of a stud saw and small gang edger separate from the main production line, is probably the only effective way of incorporating a stud saw capability into the current sawmill. As long as it is impractical to produce pulpchips from the sawmill residue, perhaps the best way for Canada Bay Lumber Company to use a stud mill would be to have a small portable stud mill for use on the landings in the woods. The important factor is that a stud line somewhere in the system would significantly improve the lumber utilization. Without such machinery, there is a very strong tendency to avoid processing the smaller logs. This means that usable sawlogs are wasted or at best exported as pulpwood.

With the sawmill production capacity side of the industry being favourable, it is evident that it is the raw material supply side that has and continues to present the major cause of the difficulties of the study area. Looking first at the mechanical aspects of the logging sector, it has been determined that in theory there appears to be enough woods working machinery (skidders, loaders, tractors) in the area with the exception being a possible shortage of log trucks. In reality, however, ownership financial and legal considerations, labour attitudes, etc.,

result in much of this equipment being unavailable for production. There is little doubt that additional equipment will have to be introduced to the area if full production is to be attained. This is particularly critical for the Canada Bay Lumber Company.

Harvesting operations are commonly discussed in terms of skidders. A skidder crew is often used as a unit of production, i.e. 3 to 5 men per crew producing approximately 2,500 - 3,000 cords per year. Operable terrain is considered to be an area in which skidders can be used to haul timber. Although a skidder is currently by far the most widely used machine for harvesting timber, it is not by any means the only machine suitable for that purpose. Interestingly, many of the loggers of the Roddickton/Main Brook area seem to be strong proponents of some of the other machines, namely J-5 rubber tracked forwarders and larger wheeled forwarder. The purchase price of a J-5 is about half that of a skidder. It can operate in deep snow and over soft ground, but is more or less restricted to flatter terrain. Some of these factors probably explain why it is often preferred in the Roddickton/Main Brook area. However, it usually requires two people for efficient operation, particularly when used to haul sawlogs and its use involves almost continuous hard manual labour. In equivalent timber conditions daily production per J-5 is somewhat less (roughly 2/3) that of a skidder. Except under certain special circumstances, skidder produced wood is cheaper than J-5 wood.

A wheeled forwarder on the other hand would cost at least 1 1/2

times the cost of a skidder. However, its daily production is about 1 1/2 times or more that of a skidder. It is restricted to fairly flat firm or frozen ground. It is particularly suitable for harvesting operations where sawlogs and pulpwood are separated near the stump. Because of its high price and the fact that it can only handle eight foot pulpwood, not the four foot or metre export wood, it has not been used at Roddickton to date.

A new machine recently imported from Scotland and adapted for Newfoundland conditions may have some usefulness for the area. This machine is a cable logger and is used to harvest wood from steep slopes. The cost is equivalent to skidder wood on more normal terrain. Although there are not too many steep slope areas in the forested area around Roddickton/Main Brook, there are some valuable forest stands on steep slopes particularly in the Horsechops. The Department of Forest Resources and Lands hopes to introduce some cable logging to the area during 1980.

As indicated in the introduction, loggers of the Roddickton Main Brook area have been known to be exceptionally good producers in the general sense. This image is somewhat wide spread in that despite their basic desire to find work at home they have worked for varying periods with major pulp and paper companies of the province, and in Nova Scotia and Ontario. Loggers of the area were among the best producers in the Goose Bay area in the Labrador Linerboard era.

In addition those who have remained at home, and who have served the local sawmill operators, have in fact also demonstrated an above average production when they had the opportunity to work. Many capable loggers have left the area to seek employment, but most, if not all, would be more than anxious to return to the area should stabler employment be offered. Most of these loggers, however, have developed a very negative attitude towards the Canada Bay Lumber Company as an employer. Many state that they would never again work for that Company.

The frustrations of these loggers presents one of the basic problems. This frustration has been expressed rather vocally by various citizens' groups, the local council, loggers themselves as individuals, etc., however the workers have not approached the company to date on a self-organized basis. Unfortunately, however justified their demands might be, to date, the grievances and demands appear to have been developed along a public and/or second hand basis. The degree of confidence these loggers are prepared to apply to new or revised commitments from the Company, is at an all time low. Organized mediation is necessary be it in the form of unionization or otherwise. The Task Force understands that some initiatives in this regard are now ongoing.

Also of significance is resolving the present situation in the Roddickton area is appreciation of the changing roles of the small sawmill unit. Traditionally, many small sawmillers

supplied rough stock to a centralized resaw-planer mill unit. It was through this system that the Saunders and Howell Company operated between 1937 and 1952, and Chester Dawe through the 1960's. With the completion of the new sawmill complex of the Canada Bay Lumber Company in 1973-1974, a new form of employment entered the picture... that of a major contractor-operator supplying round logs to the mill. While provision for the operation of small sawmillers on limits assigned to the Canada Bay Lumber Company was made through legislation, the condition applied by the company that these small operators sell all material to Canada Bay in reality created a monopoly situation. Many arguments developed regarding responsibility over road maintenance and snowclearing, price of product, etc., resulting in all but one of these independents being out of production at present. It should be noted, however, that the nature of arrangements between the Canada Bay Lumber Company and these independents were such that payroll burden, preparation of cheques, etc., were done by the former, often creating the impression that the logger himself was employed by Canada Bay, rather than the contractor. In recent years with the disappearance of the original major contractor, Canada Bay has attempted to administer its own logging force, and in fact has invested in machinery and roads. Nonetheless, it has not been able to obtain its wood requirements and in the meantime, only one independent has continued to operate. The changing role of independents, contractors and sawmill companies

own logging systems is presented in the table on the following page.

Notwithstanding all of the above, the forest resource of the Roddickton/Main Brook area is its most important asset and holds the most potential for employment. The greatest prospect for long term, sound stable employment rests with the possible establishment of a new medium scale forest based industry somewhere in the Roddickton/Plum Point/ Hawkes Bay area. These two communities will form the core of the woodlands operations, and as such, will benefit greatly even if such an industry establishes outside the immediate Roddickton/Main Brook area.

For at least the next ten years, there is very great opportunity for an expanded sawmill industry. Certainly, most of the ingredients are there. The resource is there in good quantity and quality. It is no longer encumbered by problems of tenure. The experienced manpower could be there. Notwithstanding recent slight declines, the lumber market is strong and should hold at a respectable level for some time. A strong export market is available for the disposal of the pulpwood by-products at a respectable price. This market currently is probably even strong enough to also support a pure pulpwood industry based on the non-sawlog stands of the area. Except for a very brief period during Linerboard's time, this situation has not existed since the Bowater export days of the mid-sixties. As will be seen later, the market for pulpwood has significant implications for

EMPLOYMENT TRENDS (LUMBER PRODUCTION)

| YEAR | INDEPENDENTS |     | CONTRACTOR |     | SAWMILL COMPANY |         | TOTAL |
|------|--------------|-----|------------|-----|-----------------|---------|-------|
|      | INDEPENDENT  | MEN | CONTRACTOR | MEN | WOODS           | SAWMILL |       |
| 1943 | 25           | 100 | -          | -   | -               | 10      | 110   |
| 1948 | 20           | 80  | -          | -   | -               | 10      | 90    |
| 1964 | 12           | 60  | -          | -   | -               | 10      | 70    |
| 1975 | 6            | 30  | 1          | 25  | -               | 30      | 85    |
| 1976 | 3            | 15  | 1          | 25  | -               | 30      | 70    |
| 1978 | 0            | 0   | 1          | 20  | -               | 30      | 50    |
| 1979 | 1            | 6   | -          | -   | 20              | 30      | 56    |

for the study area.

The sawmill and export pulpwood opportunities currently available to the area can provide at least short to moderate term employment and economic activity. The lumber industry can and should provide a significant number of jobs for at least the next ten to twelve years. However, only the firm establishment of a forest based industrial plant somewhere on the upper half of the Northern Peninsula can provide long term stability to the many woods workers of the area.

There appears to be every opportunity to significantly increase the industrial activity of the forestry sector. While, at present, the situation may still appear volatile, some events ongoing plus the implementation of some of the recommendations of this Task Force could result in dramatic improvements.

If all sides avoid any irrational actions and continue to look towards the future, that segment of the sawmill industry will provide the area with the employment and economic activity it can and should.

In the meantime, the Department of Forest Resources and Lands has commissioned a major study into the feasibility of establishing a major wood using facility to utilize the forest resources of the Northern Peninsula. This study, awarded to Sandwell Associates, will assess the viability of a thermo-mechanical pulp plant, waferboard plant, and various other manufacturing options. The study is due for completion by

mid-1980. The possibility, however, of an actual plant going into operation within the next five years is technically not probable, even should one be determined as feasible.

The sale of pulpwood has been one of the most prominent factors in contributing to the problems of the area. At present, the export markets are good and indications are that they will remain so for the near future. Record high on-board prices are being offered and permits to export a total of 20,000 to 25,000 cords in 1980 have been or are about to be issued. But available markets are but part of the problem. Residents of the area have witnessed a number of bad experiences in recent years with significant quantities of pulpwood cut for export and the Labrador Linerboard being left unshipped from landings. Among the solutions proposed in briefs presented to the Task Force was the establishment of a central wood purchasing yard. This concept holds merit, but must be viewed in light of the costs of establishing and operating same, the willingness of the export company, itself, or a local entrepreneur to establish same, and the nature of the sources of supply of pulpwood. Fundamental to the issue would also be the security of markets. Unquestionably, any party to introducing a wood yard would like a somewhat longer commitment of supply and market than the one year now afforded by the export permit conditions. While the Task Force cannot recommend outright that a wood yard be established, it recognizes its benefits, particularly in that such a facility

could in fact buy pulpwood from many sources, including very small operators. It is feasible however, for individual contractors, operators and/or brokers to establish a yard. What is important, however, is that the economic climate be such that a maximum number of options are available to those party to the export of wood. In this context the Task Force suggests that longer term permits be provided to the export company so that they, in turn will be able to have increased ability for longer term planning. A wood yard operated by them and/or a local entrepreneur would more than likely develop under the climate afforded by a three to five year permit. It must not be forgotten, however, that export wood, not withstanding its present demand, is an unstable market. A down turn in this market would have dramatic effects indeed on the Roddickton/Main Brook area. Be that as it may, it must be relied on heavily at least for the next five to six years.

#### EMPLOYMENT POTENTIAL

Based on the attainment of forest management objectives as outlined earlier, a greatly expanded level of employment is not only desirable, but feasible. The table on the following page presents an expression of the number of potential jobs by months for various sources. The realization of this potential, however, is subject to many constraints. The specific constraints that apply to each job source will be outlined as each is presented, however, detailed analysis of the factors preventing

or hampering the existance of these jobs, at present, has been left to the background papers of the Task Force. In the meantime, the resolution of most of these will be embodied in the recommendations of this sector report.

The potential jobs indicated in the table are offered under the framework of the following assumptions:

- 1) That harvesting activity will be increased to, at least the level of an A.A.C. of 48,000 cords. It is noted that the age class distribution can afford an opportunity to overcut this A.A.C., however, since only 10% of the A.A.C. is now utilized, expansion of the harvest target should await the attainment of 48,000.
- 2) That all operations will be clear cut with pure pulpwood stands being logged by sawmillers.
- 3) That all pulpwood generated will have to be sold on the export market as it is acknowledged that even should the Sandwell study identify that a major wood using industry is feasible, a minimum of five years would elapse before it would be operable, if indeed an investor was found immediately.
- 4) That markets exist or would exist for a greatly expanded level of lumber production and for export wood.

With these assumptions in mind, each job source will now be generally addressed.

The Canada Bay Lumber Company has indicated a corporate desire to produce from its own limits 4.0 million fbm. It is

TABLE FIVE  
POTENTIAL LEVELS OF EMPLOYMENT OFFERED BY THE FORESTRY SECTOR

| SOURCE AND NATURE OF EMPLOYMENT | June | July | Aug. | Sept. | Oct. | Nov. | Dec. | Jan. | Feb. | Mar. | Apr. | May | Min Months |
|---------------------------------|------|------|------|-------|------|------|------|------|------|------|------|-----|------------|
| Dept. Forest Resources & Lands: |      |      |      |       |      |      |      |      |      |      |      |     |            |
| - Administrative Staff (Fixed)  | 5    | 5    | 5    | 5     | 5    | 5    | 5    | 5    | 5    | 5    | 5    | 5   | 60         |
| - Seasonal Fire Patrol          | 3    | 3    | 3    |       |      |      |      |      |      |      |      |     | 9          |
| - Planting/Fertilization        | 62   |      |      |       |      |      |      |      |      |      |      |     | 62         |
| - Pre commercial Thinning       |      | 62   | 62   | 62    | 62   |      |      |      |      |      |      |     | 248        |
| - Site Clearing Contracts       | 25   | 25   | 25   | 25    | 25   | 25   | 25   | 25   |      |      |      |     | 200        |
| Canada Bay Fixed Overhead       | 3    | 3    | 3    | 3     | 3    | 3    | 3    | 3    | 3    | 3    | 3    | 3   | 36         |
| Canada Bay Logging Force        | 50   | 50   | 50   | 50    | 50   | 50   | 50   | 50   |      |      |      |     | 400        |
| Canada Bay Mill Employment      | 30   | 30   | 30   | 30    | 30   | 30   | 30   |      |      |      |      |     | 240        |
| Independent Sawmillers          | 60   | 60   | 60   | 60    | 60   | 60   | 60   | 60   |      |      |      |     | 480        |
| Total Government                | 95   | 95   | 95   | 92    | 92   | 30   | 30   | 30   | 5    | 5    | 5    | 5   | 570        |
| Total Canada Bay                | 83   | 83   | 83   | 83    | 83   | 83   | 83   | 53   | 3    | 3    | 3    | 3   | 646        |
| Total Independents              | 60   | 60   | 60   | 60    | 60   | 60   | 60   | 60   |      |      |      |     | 480        |
| GRAND TOTALS                    | 238  | 238  | 238  | 235   | 235  | 173  | 173  | 143  | 8    | 8    | 8    | 8   | 1705       |

CADITION:

This table presumes that the many and varied constraints to develop are resolved.

This table presents potential employment in relation to desired forest management objectives.

on the basis of this that formal operating plans for the Company are being finalized at this time. The production of this and the resultant pulpwood production inherent in same offer employment as follows:

|                |                       |
|----------------|-----------------------|
| Overhead       | 3 full-time employees |
| Logging sector | 50 for eight months   |
| Mill unit      | 35 for seven months   |

The constraints to the attainment of these levels of employment are in fact the basis of much of the existing problems of the area. Of all the job sources under study in this report, the resolution of problems centered around the Canada Bay Lumber Company offer the greatest challenges. Detail analysis of many of these problems is presented in the background material of the Task Force. However, a summary is provided here.

- 1) Negative attitude by workforce and residents towards the Company, dissatisfaction with past performance and lack of trust.
- 2) Lack of expertise within the Canada Bay Lumber Company with respect to the forestry planning side of the operation.
- 3) Conflict over role of "independents" in relation to the Canada Bay Lumber Company.
- 4) Market for lumber when cost, production, and transportation of Roddickton/Main Brook lumber is viewed in the market place in relation to lumber from alternate locations.
- 5) Market problems for pulpwood in light of decrease in sawlog stands and necessity for total integrated logging of area.

- 6) Technical capacity of existing logging equipment to fully utilize the resource in relation to logging conditions.
- 7) The difficulty in implementing a sound long-term operating plan.
- 8) Nature of tenure holding of the Company.

All these factors greatly affect the attainment of the objective of the Company with respect to producing the minimum of 4.0 million fbm it wishes. All these have contributed to the variation in production of the Company in the recent years, as summarized in the table below.

TABLE SIX  
CANADA BAY PRODUCTION

| <u>Year</u> | <u>F.B.M.</u> | <u>Pulp</u>  |
|-------------|---------------|--------------|
| 1974        | 3.4 MM        | 7,800        |
| 1975        | 1.5 MM        | Nil          |
| 1976        | 4.5 MM        | 3,350        |
| 1977        | 4.5 MM        | Nil          |
| 1978        | 1.5 MM        | 1,225        |
| 1979        | <u>1.3 MM</u> | <u>3,000</u> |
| TOTAL       | 16.7 MM       | 15,375       |
| Average     | 2.8 MM        | 2,562        |

The fluxuations reflect the changing role of independent sawmillers, labour disputes, impact of pulpwood markets and many other factors.

Sixty potential jobs have been identified in the small or

4

independent sawmill sector. This represents two to three mills operating to produce three million fbm total in the Main Brook area and four mills to produce a total of two million in the Roddickton area. All these are seen to be owner-operator enterprises with minimum overhead. Further, many of these might well sell rough lumber stock to the Canada Bay Lumber Company. The attainment of these jobs presumes that the operators are established outside the Canada Bay holdings, that some access roads will be built and maintained by the Department of Forest Resources and Lands, that local entrepreneurs are available and that all operations will be conducted in an integrated manner producing pulpwood for the export market.

Several forms of employment have been or can be offered by the Department of Forest Resources and Lands. These include permanent overhead staff, salaried seasonal employees such as fire patrol, wage based employees for defined periods, such as forest improvement workers, and/or indirect employment through contracted projects. The table on the following page presents data on trends of departmental employment offered in recent years.

On a year round basis, five employees are retained at present. This source of employment is stable and expansion would occur only in relation to increase in program level. Jobs require technical training and little turnover is anticipated.

Seasonally, three jobs are available as a fire patrol crew is retained for the months of June, July and August. This



source is seen as stable, unlikely to increase and generally filled by annually returning employees.

Forest improvement and reforestation projects have been employing increasing numbers in recent years as seen in the table on the following page. Assuming that funds were made available under DREE and or FESP, little problem is seen with justifying or administering a program of at least that of 1979, which employed sixty-two workers. It should be stressed, however, that this type of work does not attract the seasonal experienced logger who prefers "pay on production" basis, rather than the "fixed low wage" type of remuneration involved in these activities. It should also be acknowledged as well that if the problems of harvesting job sector are resolved there will be a shortage of experienced workers available for silviculture projects. On the other hand, several options are available to counteract these constraints among which are; (1) use of incentive pay systems, (2) contracting out of work and/or (3) the acceptance that the program can be viewed as a training opportunity for youth who have not to date had an opportunity to enter the forestry work force due to lack of activity in the area. It is recognized that this latter option will undoubtedly result in higher production costs, but this could be weighed against both the need for training, and the need for silviculture, in line with forest management activities. It is further recognized that while expansion beyond sixty-two men in silviculture can be justified,

TABLE EIGHT

## SUMMARY OF SILVICULTURAL ACTIVITIES

RODDICKTON 1977-'79

| Project       | Year     | No.<br>Acres | Salaries   | Operating | Cost/Acre | Total Cost |
|---------------|----------|--------------|------------|-----------|-----------|------------|
| Planting      | 1979     | 7.5          | 705.28     | 73.44     | 103.83    | 778.72     |
| Fertilization | 1979     | 100.0        | 4,785.68   | 630.16    | 54.16     | 5,415.84   |
| Scarification | 1979     | 40.0         | -----      | 853.45    | 21.34     | 853.45     |
| Thinning      | 1977     | 383.0        | 53,998.53  | 10,465.58 | 168.70    | 64,464.11  |
| Thinning      | 1978     | 1,331.0      | 129,351.44 | 28,043.56 | 118.25    | 157,395.00 |
| Thinning      | 1979     | 1,405.0      | 165,891.64 | 31,882.23 | 140.76    | 197,773.87 |
| TOTALS        | 1977     | 383.0        | 53,998.53  | 10,465.58 | 168.70    | 64,464.11  |
|               | 1978     | 1,331.0      | 129,351.44 | 28,043.56 | 118.25    | 157,395.00 |
|               | 1979     | 1,552.5      | 171,382.60 | 33,439.28 | 131.93    | 204,821.88 |
| GRAND TOTALS  | 1977-'79 | 3,266.5      | 354,732.57 | 71,948.42 | N/A       | 426,680.99 |

it is recommended that expansion beyond same should be considered only after progress and costs are monitored. Silviculture jobs include planting, fertilization and precommercial thinning.

To date, forest improvement projects of the area, though large in size, have been oriented towards thinning of young stands. Under a newly available FESP agreement, funds could be made available to undertake a wide variety of new forest and site treatments, in addition to continuing the traditional silviculture described above. The presence of FESP assumes that Roddickton can become a designated area. The criteria for same include high unemployment, significant impact of insect attack, and be justifiable from the point of view of forest management and silvicultural principles. The Roddickton/Main Brook area well fits this criteria and designation by the FESP management committee is recommended. FESP could then offer; (1) sixty-two jobs in silviculture, discussed previously, (2) twenty-five jobs for eight months in site rehabilitation contract work. These contracts are designed to facilitate the operation of small production units, such as single skidder crew teams on a contracted basis following public tender. One concern with respect to this contract approach is that in general, there is a lack of small to middle sized entrepreneurs. In addition, several smaller existing "independents" do not appear to possess the business skills or financial resources to get back on their feet. Be that as it may, FESP contracts of the size and nature envisaged here could, in fact, offer the economical climate and controlled production necessary

to get some small operators back into business. A level of twenty-five employees is recommended at this time. This program is flexible enough, however, to facilitate much larger numbers and can be increased to offset other sources operating at less than optimum.

The foregoing has hopefully demonstrated that many of the components to afford a high level of forestry activity exist in the study area. It has been further noted that employment activity in the woods is needed, not only in the economic sense, but also from the forest management point of view. Further, some of the constraints that hamper the orderly attainment of increased employment have been referred to in relation to specific sources of employment. It is in respect to these constraints and problems that the following recommendations are made. These should help in attaining and stabilizing the level of potential employment so desperately needed.

#### RECOMMENDATIONS

- 1) That the Department of Forest Resources and Lands seek formal designation of the Roddickton/Main Brook area under FESP to stimulate employment in the forest management field.
- 2) That the Department of Forest Resources and Lands complete discussions with the Canada Bay Lumber Company with respect to formalizing a five-year operating plan to offer 4.0 million fbm per year and that any plan so developed be strictly followed.
- 3) That the Department of Industrial Development with representation

from the Department of Forest Resources and Lands proceed with negotiations with the Canada Bay Lumber Company in respect to revision of the 1974 Act and that these negotiations fully explore all aspects of that Act with particular attention to the roles of both parties in relation to access road construction, road maintenance, royalty, formalization of the operating plan, full integration in the logging sector and tenure considerations. Further, that these negotiations explore the possibility of the return to Crown of the Conche Road block.

4) That the Department of Forest Resources and Lands apply a high priority within the resource road budgeting program so that the access road requirements of the study area are provided. Further that the major long range access road program proposal now under development be finalized as soon as practical.

5) That the recently completed forest management plan developed by Unit Forester W. Brown, of the Department of Forest Resources and Lands be formally adopted and implemented.

6) That the Department of Forest Resources and Lands make the full implications of the December 1979 Bowater-Crown Agreement regarding limits more generally known to the public of the study area.

7) That the Department of Forest Resources and Lands hold detailed discussions with existing independent sawmill operators to verify the desired levels of production. A strategy to provide sufficient specific forest operating areas should then

be developed in line with the forest management plan.

8) That the particular financial position of specific operators who have liabilities to the Department of Rural Development be subject to their approval, reviewed by that department, and an appointed official of the Department of Forest Resources and Lands.

9) That the Department of Forest Resources and Lands in cooperation with the Department of Rural Development, arrange for appropriate resource personnel to investigate the need for business administration training for small operators and that consideration be given to having participation in same a prerequisite to obtaining financial assistance from Government.

10) That the independent sawmill owners be encouraged to form a local sawmill association to address issues of mutual concern and to offer an opportunity for the development of a unified approach to problem solving.

11) That the Department of Forest Resources and Lands consider the provision of export permits of a longer term than the annual authorities now used so that the parties to such operations might more realistically and economically plan and operate such facilities as export wood yards, debarking units, etc.

12) That representation be made to the Canada Bay Lumber Company to reflect the opinion of the Task Force that more diversification in logging methods and technology, including the stud mill option, should be considered if the resource is to be fully utilized.

13) Representation be made to the Canada Bay Lumber Company that it should review its ability and expertise in relation to the woods planning sector, the Company's image and labour relations.

14) That the loggers of the area consider organizing themselves in a manner that will allow them to address issues directly with the employer, rather than through the more public manner that has been availed of in recent years.

15) That the Department of Forest Resources and Lands develop and implement an operational pilot project to demonstrate the use of a cable logging system.

TASK FORCE ON  
EMPLOYMENT OPPORTUNITIES  
IN THE RODDICKTON/MAIN BROOK AREA

Fisheries Sector

### FISHERIES SECTOR

The active re-establishment and expansion of the fisheries throughout the Province in general also included a renewed interest in that resource in the study area. While the primary responsibility of the Task Force was to address the communities of Roddickton and Main Brook, fishing and related activities can and will continue to affect the economy of the study area as a whole. In a direct sense, however, Main Brook rather than Roddickton is seen as the town most likely to be affected by fisheries expansion, but if even then any increased activity to be generated there will be dependent on development in other communities that now have fish plants.

There are presently three fish processing facilities operating in the area. These are located at Conche, Bide Arm and Englee. Fish is also being landed, but not processed, at a number of other communities in the area. The plants in Bide Arm and Englee are operated by the Lake Group and the plant at Conche is operated by the United Maritime Fishermen (U.M.F.). All plants are seasonal (May - November) operations.

The Englee plant is currently in operation from May through November when operations must cease because of ice conditions, which do not permit small vessels to fish.

The plant has a current cold storage capacity of 1,200,000 pounds, and a freezing capacity of 75,000 pounds per 8 hour shift. The approximate volume processed last year was 3,600,000 pounds of groundfish and 50,000 pounds of pelagics. Approximately 250 people are employed in this plant.

A Canada Works project to improve the fishermen's landing wharf at the plant has recently been approved. The approximate value of the project is \$256,000 with \$150,000 being provided by Canada Works, and \$106,000 being provided by the Lake Group. Twenty-five jobs will be created by this project for a total duration of 749 work weeks. An application to upgrade the shipping wharf at the plant has been turned down by Canada Works due to lack of funding. Part of the Lake Group portion of the funding on the fishermen's landing wharf project is being used to increase the wages over the amounts normally paid by Canada Works.

In conversation with the manager of the Englee plant, a couple of alternatives, to increase the operating season at the plant, were put forward. These alternatives are:

1. To encourage vessels to consider moving to the Port aux Basques area to pursue the winter fishery and then truck the landings to the Englee plant for processing. Fishery Products Limited is currently doing this at its Port au Choix plant.
2. To divert trawlers currently involved in fishing in the north to Englee instead of their usual landing ports on the south coast. This would be possible, particularly when plants

on the south coast are glutted with fish. The ice in the Englee area should not pose a problem to these trawlers. However, to accomodate trawler landings it will be necessary to install unloading facilities (air unloader) and to increase ice making capability by an additional 30 tons per day. These facilities will also make foreign trawler landings possible should the Federal Government continue its policy of allowing this practice.

In addition to the employment created directly by the Canada Works project at the Englee plant, there will also be spin off benefits. Approximately, 4,000 - 5,000 round sticks will be required for the wharf improvements, and these will be acquired in the Roddickton area.

In the meantime, there is a plant at Bide Arm, formerly run by Sea Forest Products Limited, but now operated by the Lake Group. It is used primarily as a feeder for their plant at Englee. There does not appear to be much opportunity to increase the operations of this plant, at this time.

There is a fish plant at Conche operated by the U.M.F. as a co-operative. This is also a seasonal operation (May - November). The plant has a freezing capacity of 24,000 pounds per 8 hour shift, but has no cold storage facilities. This past year, approximately 2 million pounds of groundfish and 290,000 crusticeans were processed at the plant. Between 65 and 70 people were employed.

One of the problems facing the plant at Conche is the lack of the three phase power necessary to run cold storage facilities. Officials of the Power Distribution District (P.D.D.) of Newfoundland Hydro estimate it would cost approximately \$210,000 to provide three phase power to Conche. In addition, it would cost approximately \$3,800 yearly to maintain this service. When only one customer for this service is involved, it is the policy of P.D.D. to charge the user for the installation costs and to use revenue earned to offset the user's cost. However, in the case of Conche the revenue generated will not cover the operating costs let alone go towards reducing the user's contribution to the installation costs. P.D.D. have no plans to upgrade Conche to three phase power in the near future.

The Department of Fisheries have received approval for a program to provide for services such as three phase power on a cost shared basis with the operator. However, no funding has been approved to date for this program. The Department of Fisheries have no plans to cost share three phase power for Conche in the near future. The Task Force recommends that this position be reassessed as there will be no significant increase in employment, or an increase in the operating season of the plant, until such time as three phase power is made available.

In response to the brief prepared by the Fishermen's Committee of Main Brook, there are a number of points to be considered.

First of all, at the present time there is a freeze by the Provincial Department of Fisheries on all processing licenses in the province.

At the present time, neither Federal Fisheries nor Provincial Fisheries have plans to provide bait facilities at Main Brook due to a lack of available funds. This is a service that could possibly be provided by a person in the community, instead of the fishermen having to acquire bait from Englee. The Task Force however recommends that the appropriate government agencies reassess the bait supply issue.

With respect to the Federal licensing regulations pertaining to drag nets, herring seines and ring nets, licenses for drag nets have been available since June 18, 1979 for vessels from this area under sixty-five feet in length. For herring seines and ring nets, no new licenses are being issued and this policy has been in effect since 1976. No change in this policy is anticipated in the near future.

In response to the White Bay Central Development Association's concern over reports by fishermen in Conche, that applications for draggers to fish the northern cod stocks could not be obtained Federal Fisheries have replied with the following information. In order to obtain an application for a dragger license, the

Department requires that the dragger first be inspected and passed before an application will be issued. Assuming that the boat passes inspection, licenses are available for draggers from the area to fish the northern cod stocks.

The Association has also indicated that fisherman are unable to take part in a crab fishery because no plant can obtain a license to process crab. However, in conversations with the licensing section of Provincial Fisheries it was learned that no plant from the area had ever applied for a crab processing license. According to both Federal and Provincial Fisheries, it is not known if the crab resource is sufficient in the area to support a crab fishery. Fishery Products Limited evaluated the crab fishery for their St. Anthony plant a couple of years ago, but determined at that time that it would not be a viable operation. Neither Federal nor Provincial Fisheries have plans to do exploratory work on the crab resource in this area in the near future. However, if the local Development Association would like to have the resource potential examined, a formal request should be made to the local fisheries officer. The Task Force recommends an evaluation of the crab potential of the Main Brook and St. Anthony stock on the assumption that a road link might exist between the communities.

In terms of other species that may be pursued by the fishermen of the area, Federal Fisheries officials have stated that salmon, herring and lobster are already fully exploited, but there is potential for increased catches in most groundfish

species.

It must be noted that the Task Force sees little potential for an expanded fishery based industry at Roddickton. Roddickton fishermen generally operate out of Englee and this trend is likely to continue. On the other hand, an expanded fishery in Main Brook is possible, however, the existence of markets for fresh fillets must exist. The road link addressed elsewhere would offer additional markets to the fishermen of that community. In the meantime, the Task Force recommends that the local fisheries association of Main Brook give serious consideration to expanded alternate uses of the building they now occupy, particularly as it applies to the off-season.

#### Boat Building

Sea Forest Products Limited is a L.E.A.P. Project which was established in the spring of last year to reactivate the fish plant and boat yard in Bide Arm. A building formerly part of the fish plant at Bide Arm and now owned by Provincial Fisheries was subleased from the local council. This building was then renovated and equipped by L.E.A.P. for use as a boat building shed.

The yard is recognized by Provincial Fisheries as an approved boat yard. Therefore, it is probable that they will receive new contracts after the two forty foot vessels now under construction are completed in May 1980. L.E.A.P. funding is not

guaranteed after the first year, nor is it always necessary. However, if required, funding will be made available for the next two years.

The present situation with the loan board is such that it is impossible to determine the future of the industry beyond the twenty contracts which will be released shortly. People in Fisheries indicate that future construction will be in the vicinity of one hundred boats per year. There will be some effort made to keep the existing yards operating which will make it difficult for new entrants.

Considering the limited number of boats available for construction and the number of shipyards presently in operation, it may be extremely difficult at this point in time to establish a second yard in the area before the situation at Sea Forest Products becomes stabilized.

#### Marine Service Center

This year two projects will be undertaken at the Marine Service Center at Englee. The first project will be an expansion of the storage lot. The second project is construction of a boat repair shed. Tenders have been called for this project and the work is expected to be completed by this summer. These projects will provide some short term labour in the area. The expansion of the facilities at the service center will also create an additional full time position at the facility.

### Boat Planking Materials

If, in fiscal 1980/81, one hundred permits are issued for the construction of longliners in the following size ranges;

|     |                        |
|-----|------------------------|
| 45, | 34 - 42 ft. longliners |
| 35, | 43 - 52 ft. longliners |
| 20, | 53 - 65 ft. longliners |

the planking specifications for these boats and especially the fifty-five in the 43 - 65 ft. class are very difficult to obtain on the Island. The imported plank is usually 25 - 27 ft. long, 20" in diameter at the butt and 10 - 11" at the top. The delivered price for this material is about \$550.00 per m for live edge and \$600.00 per m for straight edge.

According to Fisheries officials and management people in the industry, about 95% of this material is trucked in from Nova Scotia. Everyone would like to see the local wood being used but they cited lack of quality supply and the uncertainty of that supply as the major reason for using mainland products.

Fir is not acceptable for planking so spruce is the only local material which might be available in the size and quantity required. Forestry says that the Roddickton area has mostly fir so that might make the possibility of establishing a supply depot difficult.

Based on the F.O.B. Clarenville price of \$600.00 per m, the value of the local market can be broked down as follows:

|                   |                  |
|-------------------|------------------|
| 35 - 42 ft. boats | \$41,000.00      |
| 43 - 53 ft. boats | 49,000.00        |
| 53 - 65 ft. boats | <u>48,500.00</u> |
|                   | \$138,500.00     |

In conclusion, a small operation in the Roddickton area collecting suitable logs from mill operators in the area, and cutting to suit the Province's boat builders, should be viable. This however, will depend entirely on the quantity of supply in that area.

#### Lobster Crates

The lobster crate used for the transportation of live lobsters is the only wooden container permitted in the handling of fish products in the province. Each of the major fish companies have several thousands of these crates on hand. Their annual replacement requirements are:

|                       |              |
|-----------------------|--------------|
| National Sea Products | 1,000        |
| H.B. Nickerson        | 1,500        |
| Kevin Wadman          | 500          |
| H. Hopkins            | 1,500        |
| Notre Dame Fisheries  | 1,500        |
| Others                | <u>2,000</u> |
| Total                 | 8,000        |

National Sea Products purchase pre-cut boards from Nova Scotia and assemble the boxes at Arnolds Cove. Purchase cost is about \$6.00 per box.

H.B. Nickerson purchased 1,500 boxes from an operation in Birchy Bay at \$8.00 per box. They have placed an order of 1,000 for 1980.

Kevin Wadman purchased 500 boxes from an operation at North Harbour. Will reorder from there this year.

H. Hopkins, a Nova Scotia company from Port Morien, buys lobsters on the Northern Peninsula and North East Coast. Purchased 1,500 from Birchy Bay at \$8.00. Will reorder this year.

Notre Dame Fisheries need 1,500 per year. They buy pre-cut boards from Yarmouth, Nova Scotia which are assembled in Lewisporte. They would buy locally.

The other 2,000 comes from a variety of lobster agents who have boxes made or assembled locally and in some instances bring completed boxes from the mainland.

Of the 6,000 boxes used by the major buyers, 3,500 are now manufactured in the province and these two builders have the capacity to supply 100% of the market.

#### CONCLUSIONS AND RECOMMENDATIONS

Examination of the foregoing would indicate that expanded fishery based employment appears possible. The Task Force recommends the following:

- 1) That consideration be given to Englee based vessels landing first at Port aux Basques and having this fish trucked to the Englee plant during times of the year when ice prevents local landings.

- 2) That consideration be given to improved unloading facilities at Englee to enable at least one trawler of the Northern fisheries to call there.
- 3) That full consideration be given to the early provision of three phase power to the fish plant at Conche.
- 4) That both Federal and Provincial Fisheries reassess the need for and mechanisms to establish bait facilities at Main Brook with emphasis on the encouragement of having same developed by a private operator.
- 5) That the local development association make formal representation to the Provincial Fisheries Department through their local official to have a formal evaluation of the potential for a crab fishery and that the evaluation consider the implication of a Main Brook to St. Anthony Highway link on the economic viability of a crab fishery.
- 6) That the road link between Main Brook and St. Anthony be constructed to afford expanded markets, opportunity for disposal of plant waste and general improved economy.
- 7) In view of the lack of a formal policy by the Fisheries Loan Board on new boat construction, it is recommended that no new boat yards be established. Should increased demand warrant additional boat building capacity in the area, it is recommended that the Sea Forest Products Yard at Bide Arm be enlarged at that time.
- 8) The possibility of Sea Forest Products supplying planking

to other yards in the province should be examined in detail to determine the viability of such an operation.

In conclusion, it would seem that although there are a number of opportunities to increase employment in the various industries in the region, both public and private funding are required to take advantage of the opportunities.

TASK FORCE ON  
EMPLOYMENT OPPORTUNITIES  
IN THE RODDICKTON/MAIN BROOK AREA

Tourism Sector



## TOURISM SECTOR

The development of a viable tourist industry is dependent upon a number of factors, any or all of which contribute significantly to its long term success. Having some of the natural ingredients such as physical attractions, accessibility , etc., do not of themselves offer significant incentive to generate the capital expenditures necessary to develop viable commercial tourist enterprises. For this reason, it is very difficult for the Task Force to address this sector in other than an overview general sense. With these constraints in mind as a general statement, it may be concluded that the study area does offer significant opportunities for development in the long term.

At present, the only access to the area is via the unpaved highway from Plum Point. The paving of this road would, undoubtedly, remove this deterrent to visitors, however, the linking of Main Brook to the newly constructed Eddies Cove to St. Anthony Highway would create a most attractive loop for northern travellers. The completion of this loop to paved standards is considered vital to the development of a successful tourist promotion program. This circle route would offer increased traffic resulting in the need for private tourist related facilities, retail services and the generation of more attention from the Department of Tourism in terms of promotion and other services.

The Tourist Association of Western Newfoundland (TAWN) was established in 1979 to co-ordinate tourist promotion activities

in the Region. This Region includes the study area, but to date participation from and attention paid to it has not been adequate. It is considered vital that Roddickton, Main Brook and other communities served by highways 430, 432, and 433 organize themselves and appoint representation to TAWN. This is deemed to be particularly important as it is vital that strong promotional efforts, attractions and events be staged and advertized in order that the study area compete for tourist attention and draw tourists from the main Northern Peninsula Highway. Further, it is often the case that the many and varied services of the Department of Tourism are overlooked or taken for granted. In addition, that Department is more and more looking to local input through Tourism Associations such as TAWN. For these reasons, if the study area is to get its share of attention, it will be necessary to devote some efforts immediately to the development of a small but representative group to plan and promote tourism for the area, and to participate in TAWN meetings, etc. It is recommended that the local Development Association take leadership in ensuring that both a local group is formed, and that the area has active participation in the Tourist Association of Western Newfoundland.

It is recognized by the Task Force that the natural beauty of the Roddickton/Main Brook area in general, along with such specific sites as Western Brook, the Tickles, the underground hole, limestone caves, could well represent the drawing cards around

which promotion could occur. It is felt, however, that the existence of these are not generally known outside the area, and some of these will require some development. It is suggested that the natural assets be fully inventoried and described for promotional purposes. Such a project might well represent an initial project of the local representative group as proposed earlier. Such an inventory should also include activity oriented attractions and events as well as the natural or physical assets of interest to the traveller.

Further, the potential of the area for hunting, fishing, and boat tours should also be addressed. Consideration should be given to tours, demonstrations, etc. of boat building, logging, sawmilling, craft production, etc. The feasibility of organized visits to Gray Islands might further warrant attention. While the identification of these tourists assets does not itself ensure either development or use of same, an orderly identification and assessment of them would undoubtedly provide a mechanism to promote the study area to funding agencies, the tourist association, possible private investors, and the public in general. Local initiatives must be taken to develop and/or improve on the man-made and natural attractions, and to promote same. Again, it is suggested that the local Development Association appears best suited to address these actions to foster more private and government initiatives.

In the meantime, there is some potential for seasonal cabins if built at reasonable cost and if the Tourist Incentive Grant Program can be availed of. In this case, reasonable cost is deemed to be cabins built for under \$15,000 and where projected seasons are based on 120 days. In the opinion of the Task Force, consideration should not be given at this time to additional year round hotel/motel accommodations. A recent survey by the Department of Tourism has revealed that there is a very low demand at present for additional facilities of this kind, and it is acknowledged in fact that the provision of such might well jeopardize existing operations.

The success of the initiative taken by the Lions Club of Main Brook in establishing and operating a Park near that community is noted. Those party to this project are to be commended.

The Park is some fifty acres in size, and, at present, it offers six cabins, six developed tent sites, additional space available for campers, fully equipped playground, large swimming beach, dance platform and boat facilities. Funding for construction was obtained through various Federal make-work programs. The extended value of assets at present is \$300,000. The park employs three people in season. Cost of operating in 1979 was \$6,900 with revenue of \$6,400.

The potential of this development, given improved road access, upgraded facilities and advertising, would be signifi-

cant. In the short run, some financial assistance by Government in this facility is recommended. Further, a review of the rates applicable might afford an opportunity to generate additional revenue by only slight increases in fees.

A potential site for a provincial park in the area of Ten Mile Lake has been discussed for several years. The development of a traditional style provincial park in this specific area, or indeed, in the study area as a whole must be viewed in light of the Department of Tourism's developing policy for holding the line on new park development, attempting to convert existing parks to private enterprise and generally encouraging local citizens in a given area to develop parks using local initiatives. The Department of Tourism has further advised that there has not been serious consideration of establishing a park in the area in recent years due to general lack of funds for constructing any new parks in the Province as a whole.

Undoubtedly, either a provincial or privately owned park offering a full range of facilities for the travel trailer owner, tenter or tourists in general would be a significant asset to this as any area. The provision of the link road addressed earlier would without doubt increase both the need for and viability of such parks. In the meantime, some potential funding is available under the Tourism Incentive Grant Program for a private park facility. In order to take advantage of this program,

it will be necessary for an entrepreneur to prove the viability and need for such a venture, giving full consideration to the economic viability of what in reality is a highly seasonal operation.

The public sector through such agencies as the Development Association, Service Groups, or Town Councils might consider availing of such funding opportunities as L.E.A.P., Canada Works, etc. to provide facilities of the type now operated by the Lions Club of Main Brook. The feasibility of this should be further investigated. As an overview statement, the Task Force offers general support to the concept of the public sector obtaining funding under makework or other programs of application to developing park facilities at this time.

The provision of the Main Brook to St. Anthony Highway would further enhance this recommendation as well as possibly affording the private sector more incentive to provide facilities, and/or interesting the Department of Tourism in giving more priority to the area as a potential location for a traditional style provincial park. (If in fact policy direction as a whole facilitates consideration of a Government built and operated park.)

TASK FORCE ON  
EMPLOYMENT OPPORTUNITIES  
IN THE RODDICKTON/MAIN BROOK AREA

Energy and Mining Sector

## ENERGY AND MINING SECTOR

This section of the report is designed to address briefly some of the issues related to hydro-electrical power, the implications of offshore oil drilling and mining opportunities. It should be stressed that in the short run expanded opportunities for employment are not offered, however, development of any or all of the resources included have significant implications for the study area.

### MINI HYDRO-ELECTRIC PROJECT

It has been noted by the Task Force that a mini hydro development is under construction in the Roddickton area. Roddickton was chosen from a slate of 83 potential sites identified in a technical and economical feasibility study done for Newfoundland Hydro. The project, which is the culmination of this study is designed to develop and demonstrate hydro-electric generation on a small scale. It is hoped that results of the Roddickton project will serve to demonstrate the suitability of similar installations elsewhere. Funds are provided under a 90:10 Federal Provincial Agreement on Energy. The estimated cost of the project is \$1.1 million. Construction is ongoing and will offer employment until completion in late 1980. Thereafter, no onsite manpower will be required as the installation will be remote controlled from the established diesel generating station within the community where staff is already in place. Completion of the project will, however, afford an upgraded service including possibly the provision of three phase power along the Conche-Roddickton Highway.

### THE CLOUD RIVER QUESTION

In recent years, local interest has been stimulated to the calling for power development in the Cloud Valley. This local interest has been further fueled by the knowledge that Newfoundland-Labrador Hydro has had survey parties in the area. In reality, however, the Cloud Valley is but one of many watershed and river systems studied in recent years because of the impending power shortages that face the Province. It is in this context that both the Cat Arm and Cloud Rivers were studied. While it is obvious that the development of the Cat Arm would not afford any benefits to the community, the converse would, indeed, be true in case of a project in the Cloud Valley. Be that as it may, the choice of sites depends on a great number of factors none the least of which are economics, relationship to the provincial grid, markets and overall hydro distribution policy. Indications from Hydro at this time are that there are no immediate plans for a project in the area. Newfoundland-Labrador Hydro and the Department of Energy are generally aware, however, that a major study is ongoing into the feasibility of establishing a major forest products installation on the Northern Peninsula. The presence of and cost of power is a fundamental consideration in this study and Hydro has generally indicated that should large quantities of power be needed, then favourable consideration and priority would be applied to supplying same.

In closing this discussion on the Cloud River area it is noted that a cost-benefit analysis undertaken by the Department of Forest Resources and Lands has shown quite clearly that it is

uneconomical to provide the needed access road infrastructure to harvest the Cloud River area, even though there is a significant quantity of timber there. The economics of utilizing this resource would, however, be favourable indeed should hydro development occur.

#### IMPLICATIONS OF OFFSHORE ACTIVITY

In recent months, a St. John's based Company interested in offshore supply has obtained an option to lease the Bowater facilities at Main Brook. This fact is generally known in the area and while there is a general air of excitement in the community, cautious optimism will have to remain the order of the day. This particular company has indicated that it views the location as a seasonal supply base. Main Brook is blocked with ice from late December until May. and as such is not being considered as a year round supply base. The Company has further indicated that it does not envisage large capital investment, but then much of the physical assets such as storage buildings, etc. already exist. The company hopes to solve some of the logistic problems this year. It is noted that extension to the water supply will be needed. By 1981, the company hopes to be able to offer a wide range of services, however, the keys to providing full service from Main Brook are the relocation of the St. Anthony airport and the construction of the link road from Main Brook to the St. Anthony highway.

Also, the provision of a seaplane base at Main Brook would further enhance the communities' chances of attacking expanded offshore services.

It is noted that Main Brook offers a high quality wharf of application to offshore supply, and while early indications are that such operations will not be jeopardized by such other activities as pulpwood export and fishing, further consideration of this issue is warranted.

In closing, it should be stressed that Main Brook is being considered at this time only as a supply base during the exploration and development stages of offshore activity, and while the benefits of same may be significant, they may be short term. Assuming decisions on offshore production occur, technology may in turn be developed to facilitate operations in ice infested waters. Should this occur, the oilfield could then be supplied from ports closer to the production site itself. Be that as it may, the potential for employment and improved economy exist. The Task Force lends its general support to the Town of Main Brook in its efforts to attract or retain interest in that community by offshore related industries, and further, specifically supports the early construction of the link road.

#### MINES

While the Task Force did not have an opportunity to fully assess the mining potential of the area due to time constraints, however, the potential of the deposits of marble were addressed briefly. Two distinct types of marble deposits occur on the shores

of Canada Bay as part of limestone deposits containing mixtures of both. The upper parts of these formations are dark blue with the lower being white. The colour of a particular marble deposit is of great importance in determining its potential for development. The white marble of Canada Bay has a very high degree of whiteness, and it can therefore be exploited as a mineral extender or filler which would make it far more valuable than as dimensional stone. As a mineral extender, white marble has a whole host of uses, which include paint and rubber production, bleaching agent and filler in the paper industry as well as use in the china, clay and ceramic industry. The reserves of white marble at Canada Bay are unknown, however, they are considered sufficient to support an industrial mineral operation.

A Toronto based firm has purchased the fee simple grants covering the area from a local estate. However, a recently discovered discrepancy has surfaced in an earlier conveyance. This problem has yet to be resolved and development plans have been shelved until clear title has been established.

TASK FORCE ON  
EMPLOYMENT OPPORTUNITIES  
IN THE RODDICKTON/MAINBROOK AREA

SMALL BUSINESS AND  
SUPPLEMENTARY INCOME SECTOR

SMALL BUSINESS AND SUPPLEMENTARY INCOME

A statistical breakdown of those presently employed presents the clear indication of the distinct lack of secondary manufacturing and therefore job opportunities in the sector.

As of July 15, 1979 the persons employed in the community of Roddickton were in the following categories:

|                                     |            |
|-------------------------------------|------------|
| Woods and sawmillers                | 51         |
| Government employees                | 104        |
| Fishermen                           | 29         |
| Service Sector                      | 57         |
| General labour                      | 12         |
| Artist, handicrafts,<br>taxidermist | <u>3</u>   |
| TOTAL                               | <u>256</u> |

A detailed breakdown of the Main Brook was not available, however, statistics available on the unemployed offers a fair indication of the type of workers in the community.

|                           |                 |
|---------------------------|-----------------|
| Mechanic, plumber         | 2               |
| Carpenters                | 7               |
| Heavy equipment operators | 6               |
| Loggers and labourers     | <u>80 - 100</u> |
| TOTAL                     | <u>45 - 115</u> |

Historically, both Roddickton and Main Brook have been involved in the primary sector, more particularly, logging. In recent years Roddickton has been developing as a service centre, thereby, presenting some alternate employment. The Task Force concurs with this trend and feels that in area

development planning Roddickton must be viewed as the logical service centre. In this context for instance, all government offices should be located there.

An analysis of the grants and loans offered by the Division of Rural Development during the past seven years is also very significant.

|              |    |              |                     |
|--------------|----|--------------|---------------------|
| Total loans  | 10 | Dollar value | \$101,788.25        |
| Total grants | 2  | Dollar value | <u>50,600.00</u>    |
|              |    |              | <u>\$152,388.25</u> |

Of the twelve offers, all but one was involved directly with either logging or sawmilling operations which, once again, is an indication of the lack of diversity.

From the foregoing, it is obvious that the present unemployment situation is compounded by the lack of diversification of the industrial base. While employment opportunities may exist in secondary manufacturing, they obviously have not been identified by local entrepreneurs, or if they have, they have not been implemented. The difficulty presented by such a situation is that the onus is on local business people to identify such possible developments and then with whatever help may be available where practical and possible, undertake the same. Profit is, of course, the underlying motive in all such ventures.

Local opportunities have been very difficult to identify which is to be expected as such development is normally the result of entrepreneurial initiative. Government programs of grants, loans and advisory service are available and should

be taken full advantage of by local businessmen.

Significant developments in the primary sectors, forest and fishing, may result in identifiable opportunities in the secondary manufacturing sector, therefore, the immediate need may best be approached by an emphasis being placed on these.

#### ASSISTANCE PROGRAMS

As previously stated, development of small secondary manufacturing enterprises shall only emerge when local business persons can identify and take the initiative in their development. The role of government in this process is to provide incentives, advice and guidance in order that any reasonable proposal stands the greatest chance of success. Numerous agencies and programs are available with the most appropriate for small business being those outlined on the following page.

Before undertaking any establishment or expansion, the project must be completely researched and the necessary steps taken so that full advantage of existing programs may apply. In this regard, any prospective applicant is advised to contact the appropriate agency before a commitment is made.

Some local initiatives have taken place in the craft sector. A group of Main Brook and Englee knitters have received over \$4,000 in orders and their goods have been displayed in Halifax and Toronto gift shops. As shown by the initial sales of the

- |                                                                                          |                                                              |
|------------------------------------------------------------------------------------------|--------------------------------------------------------------|
| (1) Federal Business Development Bank                                                    | (a) Loans at commercial rates.                               |
|                                                                                          | (b) Counselling service.                                     |
| (2) Rural Development Branch<br>Dept. of Rural, Agricultural<br>and Northern Development | (a) Loans for manufacturing and processing 6% interest rate. |
|                                                                                          | (b) Incentive grants for manufacturing and processing.       |
|                                                                                          | (c) Incentive grants for research and development.           |
|                                                                                          | (d) Advisory Services.                                       |
| (3) Newfoundland & Labrador<br>Development Corporation                                   | (a) Loans for selected industries at commercial rates.       |
|                                                                                          | (b) Advisory Services (selected).                            |
| (4) Department of Regional<br>Economic Expansion                                         | (a) Grant for manufacturing and processing.                  |
| (5) Fisheries Loans Board                                                                | (a) Loans for fishermen at 6% interest rate.                 |
| (6) Farm Loan Board                                                                      | (a) Loans for farmers at 6% interest rate.                   |
| (7) Tourist Incentives Program                                                           | (a) Incentive Grants for selected Tourism projects.          |
| (8) Farm Incentive Program                                                               | (a) Incentive grants for selected on farm projects.          |



the short term prospects are excellent. As the group strengthens, expands its production and improves its quality, it can be assured of stable growth. The long term prospects should include more local designs, training, increased management experience and increased sales through retail marketing with assistance from the Department of Rural Development. The development of this sector however must continue to be viewed as a supplementary income generation. Expectations should not be unduly raised with this type of development as a process has to be followed in which both markets and production are being developed in a compatible manner.

Other opportunities may exist, specifically home bake products for summer tourists, and in the same manner guided tours and/or boat rides with deep sea fishing. The extent to which these or others occur is dependent upon initiatives from the community. Further, the capital cost should be kept as low as possible as the income to be derived shall not be constant, nor on a high profit scale. All should be viewed as secondary or supplementary income sources and should not be expected to take the place of full time employment.

There appears an opportunity for some expansion in local production of agriculture crops for consumption in the study area. Again, however, agriculture must be viewed as a supplementary income source and expanded large commercial production must be viewed in light of the location and market potential, both

both of which are not favourable at this time.

#### CONCLUSIONS

It is acknowledged that there is a distinct lack of diversification with the source of employment available to the people of Roddickton/Main Brook. This is largely because of their historic dependence in the logging and sawmilling sectors. It is further acknowledged however, that the initiative to change this must come primarily from within the community. Assistance is available to identify and promote opportunities through the Department of Rural Development in general and the development association in particular. Results to date in the handicraft sector are encouraging, however, these initiatives must be viewed as supplementary income generation. Agriculture must be viewed this way as well. Further development of local small businesses will undoubtedly be dependent on the resolution of problems in and increased employment from the primary resource sectors of forestry and fishing. The completion of the link road would also create an economic climate more conducive to expansion of small business. The Task Force encourages the continued support of the White Bay Central Development Association in its efforts to identify and stimulate new economic opportunities. Further the Task Force recommends that the various departments of Government establish strong liaison with the Development Association to fully assess the potential of the area. More detailed analysis of opportunities in supplementary agriculture, tourist spin-off activities, etc., are some areas in need of attention.

TASK FORCE ON  
EMPLOYMENT OPPORTUNITIES  
IN THE RODDICKTON/MAIN BROOK AREA

Transportation Sector



## TRANSPORTATION SECTOR

The extent and quality of roads and the availability of air transportation options play a significant role in the economical and social development of any area.

The Roddickton/Main Brook area is accessed from the Northern Peninsula Highway at Plum Point by routes 430 and 433. The longest section (53 km) from Plum Point to the intersection of the branches to Roddickton-Englee and to Main Brook is often referred to as the "Cross Country Road". From this intersection, Highway 430 turns to the left and continues for 29 km to Main Brook. To the right, Highway 433 runs south for 19 km to Roddickton and continues for another 18 km on to Englee. Most of the road is flat to rolling, but there is the occasional fairly steep grade. All 119 km of these two roads is gravel topped. Needless to say, during the spring and late fall the road is very soft and subject to almost continuous ruts and potholes.

The upgrading and paving of the "Cross Country Road" and the branches to Roddickton and Main Brook would greatly improve the transportation of the area. The Department of Transportation and Communication considers the upgrading and paving of the "Cross Country Road", the branch to Main Brook, and the branch to Roddickton and on to Englee as one project. The cost of this work is roughly estimated at \$200,000 per kilometer, and paving all 120 km will be approximately \$24 million. The proposed five year plan of the Department of Transportation and

Communication suggests spending on this project of \$600,000 in 1982 (mostly engineering work), \$1.4 million in 1983 and \$4 million in 1984.

The recent construction of the new section of the Northern Peninsula Highway between Eddies Cove and St. Anthony has brought within reach a very significant opportunity to improve the economy of the Main Brook/Roddickton area. The construction of a 27 km link road to join Main Brook with the new St. Anthony Highway near the vicinity of the proposed new airport will eliminate approximately 150 km of back haul travel from the road distance between Main Brook and St. Anthony.

Although some centreline survey work is currently being carried out on the proposed Main Brook link road, no construction activity is proposed by the Department of Transportation and Communication in their current five year plan. The estimated cost of this section of new road is \$9.5 million in 1979 dollars (\$350,000/km).

The provision of the link road would change the whole economic and social climate of the area, with access to St. Anthony being reduced substantially in time and distance (45 minutes from Main Brook as opposed to four hours, reduction of 150 km). The road link would greatly stimulate tourist activity in that the Northern traveller would be afforded an alternate route or circle, and this coupled with the natural beauty of the area would have very beneficial effects on tourist

activities. In fact, the link road would give a whole new dimension to the tourist industry of the upper half of the Northern Peninsula. No tourist likes to back track along a route and revisit the scenery and the other attractions he has just seen. Upon completion of the link road, tourists would be able to travel on main highway along the Straits Shore to St. Anthony and see all the attractions of that area, including the L'anse au Meadows site, etc. They would then be able to return to Plum Point through the Main Brook/Roddickton area and visit the many new and entirely different attractions of that region. Apart from providing the tourist with an alternate return route for a major part of his trip, the many truly impressive natural attractions of the area would greatly add to the total scope, quality and marketability of the Northern Peninsula as a tourist attraction. The very strong tourist potential of the Peninsula is just beginning to be utilized. The paving of the "Cross Country Road" and the completion of the loop through the construction of the Main Brook link road will allow the development of a strong and viable tourist industry in the Main Brook/Roddickton area. The employment opportunities associated with this industry are very significant in potential for growth and increased employment.

The road would also give residents of the study area ready access to many St. Anthony facilities such as schools,

stadium, shopping malls, etc. Further, some residents of the study area might be able to enter the job market in the St. Anthony area, while still residing in his home community. The link road would also afford fishermen of the area some opportunity to sell a number of species of fish that are now dumped, plus provide an opportunity for fish producers to dispose of plant waste by trucking same to the fish meal plant in St. Anthony.

The provision of the link road would greatly improve emergency health care services. Further, this road is seen as a significant factor indeed in the further attraction of offshore service companies in Main Brook. This road, coupled with the relocation of the St. Anthony airport would have very important positive implications on the long term development of the area. There is little doubt in the minds of the Task Force that this link road is vital to the long term development of the area, and that the benefits even in the short run are significant enough to place high priority on the construction of same. The Task Force recommends that the link road between Main Brook and the St. Anthony highway be constructed at the earliest possible opportunity and further that priority be placed immediately upon the paving of the complete network.